2013 Position Paper on Public Notice Changes Michigan Association of Broadcasters

EXECUTIVE SUMMARY

Michigan's public notice requirements are antiquated laws without vendor or marketplace competitive pressures. Many of the public notice laws were established when printed papers were the only public media available. These requirements, which often identify publishing of public notices as "publish in the local newspaper" have no quantitative basis other than the "general circulation" of one media. The cost of public notices is determined by a monopolistic outdated business model and often from a single source provider. Many markets no longer even have daily newspapers.

No other government product or services are handled in this manner. In fact, the state of Michigan prohibits single sources for state procurement.

Millions of dollars of government and taxpayer moneys are paid at all levels of government each year on public notices. Even the 2013-14 House Republican Action Plan, under the section, on page 19, entitled, "A Government of the People" in bullet point number four states that the legislature should: "Provide new options for public notices: State law requires public meetings to be advertised in the local newspaper to promote transparency. However, the changing media landscape makes this requirement outdated and costly for already-struggling businesses. State law should encourage each community to find the best way to inform the public for cost-savings and improved transparency."

Governor Snyder has been quoted several times stating that Michigan should <u>encourage competition in every industry to come up with modern, forward moving solutions that saves money and provides customer service to our citizens instead of playing favorites.</u>

By its own declaration, the state believes that Public Notices must be posted where people can see them to encourage transparency in the way the government does business.

- The MAB and its members strongly support transparency of government.
- Technology allows multiple avenues in obtaining and distributing information through various media outlets such as the wireless, Internet, radio, television and newspaper. State law should reflect these improved methods of communication by identifying alternative publication methods that are costeffective and technologically advanced.
- There should be no financial barriers to bidding on Michigan business. All public notices should only be published in media for which there is no charge to the consumer to obtain them.
- Less than 10% of the U.S. population views a local, state or federal government website daily. (May 2009 release of U.S. Census Bureau, Annual Estimates of Resident Population).
- According to surveys by the Pew Research Center for the People and the Press, only 40% of Americans reported reading a newspaper in any form, either print or online, in 2010. One in ten adults (10%) say they never read a daily newspaper.
- More people spend time with radio and television daily than all other forms of media combined.
- Radio and television reach 99.9% of the population each week.
- Broadcasters' websites are proven to be among the most popular. More people view the websites of broadcasters, in all age demographics, according to a TVB (Television Bureau of Advertising) study conducted in 2012.

 The Michigan Association of Broadcasters wholeheartedly agrees that the best place for public notices is on the Internet. The Internet, however, is a large and confusing place, information may not be found and it could reduce quality bids on projects, products and services.

We simply suggest that the State of Michigan should open public notice publication to all forms of media, and that municipalities should be free to choose to utilize their own website and at least one additional form of media for listing the notice. They should also be required to promote that website in any outside media that fits their budget and their community.

We purport that the monopolistic approach of choosing only newspapers as the exclusive repository of public notices is bad government. It limits the number of citizens that can easily view the notices and promotes winners and losers by tying the hands of the government entities and municipalities to do the most cost efficient form of publication that reaches the most people.

We further suggest, and would support legislation, that opens up the publication of public notices to other popular sources of media. We agree that the income loss may be significant for local papers; however, all media have had to adjust to the impact of new competition with more to come every year. The economic impact on one industry alone should not be the deciding factor in moving forward with a new plan to make public notices more accessible to the public and build a truly transparent "Government of the People."

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